



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**
Division of Child Development
and Early Education

From Crisis to Recovery: NC Stabilization Grant Application 2021 - 2022

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Overview for Child Care Providers

October 2021





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Don't forget! To ensure you receive credit for your participation today:

- **Enter into the chat:**
 - Your first/last name
 - The program you work for
 - Your email address
 - Your phone number

You will receive your certificate within one week.

Our high-quality early care and learning network helps families raise **healthy, capable** children and a **stronger** North Carolina.



How did we respond to the COVID-19 pandemic?

Our priorities during the crisis were to protect children, families and providers to keep North Carolina working:

1. Health and Safety
2. Operational Support
3. Workforce Support
4. Access and Affordability



What's next for early childhood education? How do we move from **CRISIS** to **RECOVERY**?

Our priorities during the crisis were to protect children, families and providers – but now we shift to build beyond surviving to moving the system forward toward sustainability. We will continue to invest in:

1. Providers
2. Teachers and Staff
3. Children and Families



2021 American Rescue Plan (ARP) Early Childhood Funding

- **Child Care Stabilization ARP Funding - \$806M**
 - Funding available now to DCDEE
 - Support working families by offering consistent, stable, flexible, and affordable access to child care.
 - Help child care teachers and staff enter or stay in the labor force.
 - Use an equity-focused grant formula to distribute funding to providers.
 - Provide increased compensation for all early childhood educators, including family child care providers.

Guiding Principles for DCDEE Stabilization Grant Design

1

Design a Responsive Program Model

- Leading with equity – community demographics and subsidy density
- Plan to adapt; build continuous quality improvement into plan

2

Build the Business Model for Success and Adapt as Needed

- Multiple months of consistent funding
- Prepare for data collection methods and technology needs

3

Implement Clear, Consistent Communication Practices

- Use multiple modes of communication and communicate frequently
- Dedicated customer service staff
- Develop internal operational practices to ensure customer service success

Putting Our Principles To Work: Stabilization Grant Process

CHILD CARE PROGRAMS

- Enter data in online application
- Provide overall application update every 6 months
- Update some data monthly: enrollment, workforce information, budget

STABILIZATION GRANTS

Distributed to programs quarterly

1 Fixed Costs & Families Grants

*Equity-based formula

2 Compensation Support Grants

*Teacher education-based formula (optional)

1. Fixed Costs and Family Grant Formula Components

- **The Fixed Cost & Family Grant formula has two components:**

- 1. Base \$ amount based on total capacity**

- 2. Additional \$ amount based on:**

- Percent of infants and toddlers served
- Quality
- Community context
- Subsidy density

Stay tuned for webinars with more details coming soon

2. Compensation Grant Formula Components

- **Option 1. Provide Bonuses**
 - Programs will provide bonuses to their staff
 - Must submit bonus plan to describe bonuses to teaching and non-teaching staff
- **Option 2. Increase Staff Base Pay and/or Provide or Increase Benefits**
 - Programs will increase base pay, implement a salary scale for teaching and non-teaching staff and/or provide or increase benefits
 - Higher grant awards than Option 1
- **Option 3. Decline to participate in Compensation Grants**

NC's Stabilization Grants Meet Federal Eligibility Requirements

- **Offered to Eligible Providers:**

- Private, for- or not-for-profit community-based childcare programs.
- Family child care homes
- Faith-based (GS 110) programs
- Not recommended to fund public programs (Head Start, K-12 school-based, etc.)

What Funds Can Be Used For



**Rent, Mortgage,
Utilities**



Payroll Benefits



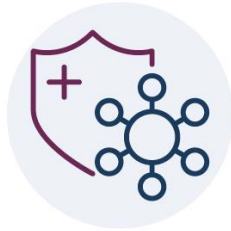
**Health & Safety
Training**



**Facility Maintenance
or Improvements**



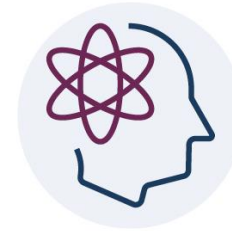
**PPE, Cleaning &
Sanitizing Supplies**



**Equipment Related to
COVID-19**



**Goods to Continue
Child Care**



**Mental Health Support
for Staff & Children**

- Reimburse previous expenses since the start of the pandemic (after January 1, 2020)
- These funds are taxable – for the provider, and for the staff

Applying for Stabilization Grants is Easy to Navigate

The screenshot shows the 'Section 1. General Applicant Information' of the application form. The header includes the NC Department of Health and Human Services logo, the 'Child Care Stabilization Grants' logo, and the title 'American Rescue Plan Act Stabilization Grants for Child Care Providers'. The form fields include: 'Child Care Program Name' (with a red box around 'Prepopulated Childcare Name'), 'Location Address' (with a red box around 'Prepopulated Location Address'), 'DUNS Number or Taxpayer ID Number', 'Mailing Address' (with sub-fields for Street, City, State (dropdown set to DC), and ZIP), 'Stabilization Grant Application Contact Email', 'Stabilization Grant Application Contact Phone Number', and 'Stabilization Grant Application Contact Name'. A checkbox for 'Mailing address different from Business address' is checked. A red box around the 'Prepopulated License #' field is also visible. Navigation buttons 'Previous' and 'Next' are at the bottom right.

User testing group with a variety of providers representing our state

- Urban
- Rural
- Family Child Care Homes
- Not – for – profit
- For – profit
- Corporate/chain

Applicant Certifications

Applicants must certify that, if awarded grant funds, they will:

1. Follow local, state, and federal health and safety requirements
2. Maintain full compensation for staff
3. To the extent possible, provide relief from copayments and tuition for parents struggling to afford child care
4. Meet CCDF requirements (e.g., background checks, participate in health and safety trainings)

Recordkeeping and Reporting

- **Regular online reporting requirements**
 - **Monthly:** First week of each month, provide information on COVID-related closures, changes in enrollment or workforce
 - **Quarterly:** Share information on how you are spending grant funds - Upload supporting documentation - receipts, payroll, etc.
 - **Every 6 Months:** Full recertification – Make any relevant changes to application
- **Maintain and document payroll records**
- **Keep receipts, bills, etc.**
 - Online system provides platform for uploading receipts/records
 - Seek professional assistance with tax and financial advice
 - Records must be retained for 7 years
- **Track staff updates to education throughout the grant period**

Ready to apply? Application Opens October 11

You'll need:

- **NCID #**
- **Payroll records**
- **Monthly expenses, e.g., rent/mortgage, utilities, insurance, etc.**
- **Revenue**
- **Tuition rates**
- **Enrollment**
- **Staff education and training**

Need Help With Your Application?

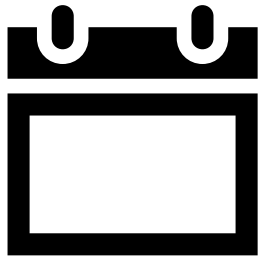
- **Visit our website:** <https://ncchildcare.ncdhhs.gov/Home/Stabilization-Grants>
 - Detailed application instructions and FAQs posted on DCDEE website
- **Stabilization Grants Customer Service (when application opens)**
 - (919) 814-6300, select option 3
 - DCDEE_support@dhhs.nc.gov

Timeline for Getting Grants off the Ground

Last Week

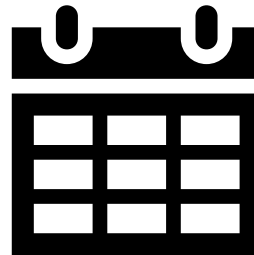
Partner training

Provider testing



This Week:

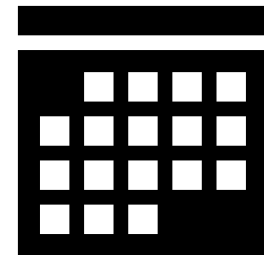
Provider training



Next Month:

Launch online application

Formula & monitoring
training





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Thank you for
supporting a strong
early care and
learning system that
raises North Carolina.

